

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

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In re : Chapter 9
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CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
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Debtor. : Hon. Steven W. Rhodes
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**FINANCIAL GUARANTY INSURANCE COMPANY'S JOINDER IN SYNCORA'S
RESPONSE IN OPPOSITION TO CITY OF DETROIT'S MOTION FOR LEAVE TO
SERVE THE SUPPLEMENTAL EXPERT REPORT OF CAROLINE SALLEE**

Financial Guaranty Insurance Company ("**FGIC**"), a creditor and party in interest in the above-captioned case, by and through its undersigned counsel, hereby joins in *Syncora's Response in Opposition to City of Detroit's Motion for Leave to Serve the Supplemental Expert Report of Caroline Sallee* [Docket No. 6782] ("**Response**").

In support of this joinder, FGIC adopts and incorporates the arguments in the Response in their entirety as if fully set forth in this joinder. In addition, FGIC respectfully submits as follows:

1. The City's attempt to couch Ms. Sallee's new expert opinion as a mere supplement is a red herring. Indeed, Ms. Sallee's new opinion regarding the effect of a tax increase on the City is an entirely new expert opinion, one that the City knew was important and necessary, but chose not to assert in any prior expert opinion.
2. The City's belated attempt to develop the evidentiary holes in its case should not be allowed and will only serve to further delay these proceedings. Allowing new expert opinions, after the close of fact discovery and more than a month after the deadline for

submitting expert reports, frustrates the Court's scheduling order and will require new discovery on the basis of Ms. Sallee's opinions, including, among other things, document discovery and the opportunity to depose Ms. Sallee. Moreover, if the new opinions are permitted, the creditors may need to engage an expert and serve a rebuttal expert report in response to Ms. Sallee's new opinions, only further delaying the schedule. This delay and the associated expense is prejudicial to FGIC and other creditors and should not be permitted.

WHEREFORE, for the reasons set forth in the Response, FGIC respectfully requests that the Court (i) deny the *City of Detroit's Motion for Leave to Serve the Supplemental Expert Report of Caroline Sallee* and (ii) grant such other and further as the Court may deem just and proper.

DATED: August 18, 2014
Houston, Texas

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CERTIFICATE OF SERVICE

I hereby certify that on August 18, 2014 *Financial Guaranty Insurance Company's Joinder in Syncora's Response In Opposition to City of Detroit's Motion for Leave to Serve the Supplemental Expert Report of Caroline Sallee* was filed and served via the Court's electronic case filing and noticing system to all registered users that have appeared in the main Chapter 9 proceeding.

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